



June 27, 2008

The Honorable Charles Terreni
Chief Clerk/Administrative
Public Service Commission of South Carolina
P. O. Drawer 11649
Columbia, South North Carolina 29211

RE: Compliance Filing of Net Metering Riders
SCPSC Docket No. 2005-385-E

Dear Mr. Terreni:

Pursuant to Commission Order No. 2008-416 in the above reference docket, Progress Energy Carolinas (PEC) herein submits its (1) Net Metering for Renewable Energy Facilities Rider NM-3A and (2) Net Metering for Renewable Energy Facilities (Excess Energy Sales) Rider NME-1.

PEC also states that its external website is anticipated to be updated by July 1 to include copies of these new tariffs and an explanation of Net Metering billing options available to South Carolina customers. A single point of contact at PEC regarding Net Metering issues can be contacted from an e-mail link contained on the new Net Metering website.

Very truly yours,

A handwritten signature in black ink that reads "Len S. Anthony" followed by a stylized monogram or initials.

Len S. Anthony
General Counsel – Progress Energy Carolinas, Inc.

Enclosures

264474

NET METERING FOR RENEWABLE ENERGY FACILITIES
EXCESS ENERGY SALES
RIDER NME-1

AVAILABILITY

This Rider is available in conjunction with Company's residential service and general service schedules to Customer who operates a solar photovoltaic, wind-powered, biomass-fueled, or micro-hydro generating system located and used at Customer's primary, legal residence or business where a part or all of the electrical requirements of Customer can be supplied from Customer's generating system. The rated capacity of the generating system shall not exceed the lesser of Customer's estimated maximum annual kilowatt demand or 20 kilowatts for a residential system or 100 kilowatts for a non-residential system. The generating system that is connected in parallel operation with service from Company and located on Customer's premises must be manufactured, installed and operated in accordance with governmental and industry standards and must fully conform with Company's "Standard for Interconnecting Small Generation 100 kW or Less with Electric Power Systems." Standby Service provisions shall not be required when service is used in conjunction with this Rider.

This Rider is available on a first-come, first-served basis, except that the aggregate capacity of Customer-generators shall not exceed 0.2% of Company's South Carolina retail peak load for the prior calendar year. If Customer's proposed installation results in exceeding the limit, Customer will be notified that service under this Rider will not be allowed.

TYPE OF SERVICE

This Rider is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one kilowatt-hour meter.

MONTHLY RATE

An amount computed under the rate schedule and any other applicable riders with which this Rider is used, as adjusted to reflect Excess Energy delivered to Company as follows:

- I. When service is not rendered under a time-of-use schedule, a monthly Metering Facilities Charge of \$3.10 shall apply.
- II. A credit for all Excess Energy delivered to Company by Customer calculated as follows:
 - A. On-peak kWh delivered to Company shall be credited at the current approved Energy Credit rate applicable to on-peak energy contained in Cogeneration and Small Power Producer Schedule CSP.
 - B. Off-peak kWh delivered to Company shall be credited at the current approved Energy Credit rate applicable to off-peak energy contained in Cogeneration and Small Power Producer Schedule CSP.
- III. Excess Energy credits not used in the current billing month to reduce the energy portion of the Customer's billing shall be accumulated and used to credit energy purchases in future months; however, any accumulated Excess Energy credits not used to reduce energy billings shall be set to zero each May 31st. Excess Energy credits created prior to May 31st will only be used to reduce billings rendered by Company prior to May 31st. There will be no compensation paid to Customer for Excess Energy credits granted to Company.

- IV. Excess Energy credits cannot be used to offset the monthly Metering Facilities Charge, charges associated with Additional Facilities, or the Basic Facilities Charge billed pursuant to the applicable residential or general service rate schedule.

EXCESS ENERGY DELIVERED TO COMPANY

Excess Energy delivered to Company shall be defined as energy produced by Customer's generation that exceeds the energy delivered by Company at a given time.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

I. On-Peak Hours:

- A. Service used beginning at 12:00 midnight March 31 and ending at 12:00 midnight September 30:

The on-peak hours are defined as the hours between 10:00 a.m. and 9:00 p.m., Monday through Friday, excluding holidays considered as off-peak. (For general service schedules, the on-peak hours shall end at 10:00 p.m.)

- B. Service used beginning at 12:00 midnight September 30 and ending at 12:00 midnight March 31:

The on-peak hours are defined as those hours between 6:00 a.m. and 1:00 p.m., plus 4:00 p.m. through 9:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

II. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified above as on-peak hours. All hours for the following holidays will be considered off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When one of the above holidays falls on a Saturday, the Friday before the Holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.

SPECIAL CONDITIONS

1. Customer must execute an "Application to Interconnect Small Generation 100 kW or Less" and an "Interconnection Agreement for Small Generation Less Than 100 kW" prior to receiving service under this Rider. The Agreement shall include Company's "Standard for Interconnecting Small Generation 100 kW or Less with Electric Power Systems" that describes the conditions related to interconnection of Customer generation with Company's electrical system.
2. Customer's service shall be metered with a single, bi-directional meter, which records independently the flow of electricity in each direction through the meter.
3. In the event Company determines that it is necessary to install a dedicated transformer or other equipment to protect the safety and adequacy of electric service provided to other customers, Customer shall pay a Monthly Facilities Charge as specified in Company's Service Regulations for the additional estimated cost of the dedicated transformer or other equipment above the estimated cost which Company would otherwise have incurred, except that the minimum Monthly Facilities Charge can be less than \$25.00.

4. Customer grants Company the right to install, operate, and monitor special equipment to measure Customer's load, generating system output, or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the installation. Customer also grants Company the right to utilize Customer's telephone line to transmit data from Company's meter and special equipment.

CONTRACT PERIOD

The Contract Period for service under this Rider shall be one (1) year and thereafter shall be renewed for successive one-year periods. After the initial period, Customer may terminate service under this Rider by giving at least sixty (60) days previous notice of such termination in writing to Company.

Company reserves the right to terminate service under this Rider at any time upon written notice to Customer in the event that Customer violates any of the terms or conditions of this Rider, or operates the generating system in a manner which is detrimental to Company or its customers.

GENERAL

Service rendered under this Rider is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Effective for service rendered on and after July 1, 2008
SCPSC Docket No. 2005-385-E, Order No. 2008-416

NET METERING FOR RENEWABLE ENERGY FACILITIES
RIDER NM-3A

AVAILABILITY

This Rider is available in conjunction with Company's Residential Service Time-of-Use R-TOUD or Small General Service Time-of-Use SGS-TOU Schedules to Customer who operates a solar photovoltaic, wind-powered, biomass-fueled, or micro-hydro generating system located and used at Customer's primary, legal residence or business where a part or all of the electrical requirements of Customer can be supplied from Customer's generating system. The rated capacity of the generating system shall not exceed the lesser of Customer's estimated maximum annual kilowatt demand or 20 kilowatts for a residential system or 100 kilowatts for a non-residential system. The generating system that is connected in parallel operation with service from Company and located on Customer's premises must be manufactured, installed and operated in accordance with governmental and industry standards and must fully conform with Company's "Standard for Interconnecting Small Generation 100 kW or Less with Electric Power Systems." Standby Service provisions shall not be required when service is used in conjunction with this Rider.

The provisions of the Schedule with which this Rider is used are modified only as shown herein. Customer may not simultaneously receive service under this Rider and Company's Cogeneration and Small Power Producer Schedule.

This Rider is available on a first-come, first-served basis, except that the aggregate capacity of Customer-generators shall not exceed 0.2% of Company's South Carolina retail peak load for the prior calendar year. If Customer's proposed installation results in exceeding the limit, Customer will be notified that service under this Rider will not be allowed.

TYPE OF SERVICE

This Rider is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one kilowatt-hour meter.

MONTHLY RATE

An amount computed under the rate schedule and any other applicable riders with which this Rider is used, as adjusted to reflect Excess Energy delivered to Company as follows:

1. Customer's on-peak usage for service rendered shall be reduced by the sum of (a) any on-peak Excess Energy delivered to Company in the current month plus (b) any accumulated on-peak Excess Energy balance from prior months. In no case shall the on-peak kWh billed be less than zero.
2. Customer's off-peak usage for service rendered shall be reduced by the sum of (a) any off-peak Excess Energy delivered to Company in the current month plus (b) any accumulated off-peak Excess Energy balance from prior months plus (c) any accumulated on-peak Excess Energy balance in the current or prior months that was not used to reduce on-peak usage. In no case shall the off-peak kWh billed be less than zero.
3. Customer's on-peak and off-peak demands for service rendered shall be billed pursuant to the applicable schedule. In months when demand charges are prorated based upon seasonal on-peak usage and the usage to be billed exceeds the Excess Energy available to reduce such usage, Excess Energy delivered to Company shall be used to reduce billed kWh usage based upon the ratio of on-peak energy consumed in each season.

4. Excess Energy not used in the current billing month to reduce billed kWh usage shall be accumulated and used to reduce usage in future months; however, any accumulated Excess Energy not used to reduce billed kWh usage shall be set to zero each May 31st. Excess Energy delivered prior to May 31st will only be used to reduce usage provided by Company prior to May 31st. There will be no compensation paid to Customer for Excess Energy granted to Company.

DEFINITIONS

1. Excess Energy delivered to Company shall be defined as energy produced by Customer's generation that exceeds the energy delivered by Company at a given time. This Excess Energy shall be used to reduce energy delivered and billed by Company during the current or a future month, as provided in the Monthly Rate provision.
2. The on-peak and off-peak periods shall be as defined in the applicable time-of-use schedule.

SPECIAL CONDITIONS

4. Customer must execute an "Application to Interconnect Small Generation 100 kW or Less" and an "Interconnection Agreement for Small Generation Less Than 100 kW" prior to receiving service under this Rider. The Agreement shall include Company's "Standard for Interconnecting Small Generation 100 kW or Less with Electric Power Systems" that describes the conditions related to interconnection of Customer generation with Company's electrical system.
5. Customer's service shall be metered with a single, bi-directional meter, which records independently the flow of electricity in each direction through the meter.
6. In the event Company determines that it is necessary to install a dedicated transformer or other equipment to protect the safety and adequacy of electric service provided to other customers, Customer shall pay a Monthly Facilities Charge as specified in Company's Service Regulations for the additional estimated cost of the dedicated transformer or other equipment above the estimated cost which Company would otherwise have incurred, except that the minimum Monthly Facilities Charge can be less than \$25.00.
5. Customer grants Company the right to install, operate, and monitor special equipment to measure Customer's load, generating system output, or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the installation. Customer also grants Company the right to utilize Customer's telephone line to transmit data from Company's meter and special equipment.

CONTRACT PERIOD

The Contract Period for service under this Rider shall be one (1) year and thereafter shall be renewed for successive one-year periods. After the initial period, Customer may terminate service under this Rider by giving at least sixty (60) days previous notice of such termination in writing to Company.

Company reserves the right to terminate service under this Rider at any time upon written notice to Customer in the event that Customer violates any of the terms or conditions of this Rider, or operates the generating system in a manner which is detrimental to Company or its customers.

GENERAL

Service rendered under this Rider is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Effective for service rendered on and after July 1, 2008
SCPSC Docket No. 2005-385-E, Order No. 2008-416